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Andrew M. Bateman
Deputy Chief Counsel for ORS

December 3, 2018

VIA ELECTRONIC FILING

Jocelyn G. Boyd, Esquire
Chief Clerk & Administrator
Public Service Commission of South Carolina
101 Executive Center Drive, Suite 100
Columbia, South Carolina 29210

RE: Proceeding for Approval of the Public Utility Regulatory Policies Act of 1978
(PURPA) Avoided Cost Rates for Electric Companies
Docket No. 1995-1192-E

Dear Ms. Boyd:

By this letter, the South Carolina Office of Regulatory Staff ("ORS") hereby notifies the Public Service Commission of South Carolina ("Commission") that ORS has reviewed and does not object to the notice submitted by Duke Energy Carolinas, LLC ("DEC") and Duke Energy Progress, LLC ("DEP") (together the "Companies") in the above referenced Docket on October 23, 2018. The Companies are providing notice to the Commission of a Memorandum of Understanding ("MOU") entered into with the South Carolina Solar Business Alliance ("SCSBA") in an effort to provide clarity to solar industry market participants and other qualifying facilities ("QF") regarding the Companies' planned implementation of the "30-month" availability provision contained in the Companies' respective Schedules PP and PP-2 ("Schedule PP Tariffs").

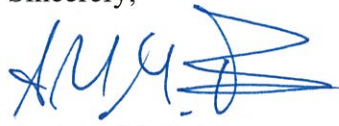
The Schedule PP Tariffs became effective on July 1, 2016 and are scheduled to expire on January 1, 2019. The "30-month" provision of the Schedule PP Tariffs, which is the subject of the MOU, requires certain QF's to begin delivering power within 30 months from the effective date of the currently-approved Schedule PP Tariffs in order to retain the avoided cost rates set forth therein. Additionally, the Schedule PP Tariffs provide that a QF should be allowed additional time to begin delivering power beyond the 30-month period if the QF's project is nearly complete and the QF is making a good faith effort to complete the project in a timely manner.

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According to the Companies, the purpose of the MOU is to provide additional clarity and certainty regarding the way the Companies will interpret the Schedule PP Tariffs' language as January 1, 2019 approaches. Specifically, the MOU provides that the Companies will allow certain QF's to satisfy the "nearly complete" and "proceeding in good faith" requirements of the Schedule PP Tariffs. The MOU sets forth the specific details and options available to QFs, as agreed upon by the Companies and SCSBA.

Thank you for the opportunity to provide comments in this matter.

Sincerely,

A handwritten signature in blue ink, appearing to read 'AM Bateman', with a stylized flourish at the end.

Andrew M. Bateman

cc: All Parties of Record (via E-mail)